

# Press Release



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## Orkla reports good third quarter operating performance

**Orkla's Industry division achieved strong profit growth, and all businesses have reported better results than last year, both for the third quarter and overall for the year to date. Orkla's Financial Investments division has also achieved good growth in value with a return of 14 % on the investment portfolio so far this year, thereby outperforming the Oslo Stock Exchange and Morgan Stanley's Nordic index.**

Orkla's operating profit before amortisation increased 15 % in the third quarter to NOK 1.2 billion. Aggregate operating profit so far this year totals NOK 3.4 billion, up from NOK 3.2 billion last year.

"In terms of profit this has been a good quarter for Orkla, with progress in virtually every area. We are also pleased about the decision to invest in Elkem Solar. This will be an exciting project for Elkem and for Orkla," says Group President and CEO Dag J. Opedal.

The Branded Consumer Goods division reported both sales and profit growth on the Nordic market, while certain markets outside the Nordic region are still challenging. Restructuring and improvement projects, coupled with continuing good markets for Sapa in Europe, contributed to strong profit growth for the Speciality Materials division, which comprises Elkem, Sapa and Borregaard.

The sale of Orkla Media to the Mecom Group was completed as planned, and the gain on the sale totalled NOK 4 billion.

At the end of the third quarter, Orkla's earnings per share were NOK 41.9, compared with NOK 20.2 at the same time last year. Net contribution to profit from divested business (Orkla Media) amounts to NOK 20.0 per share.

## GROUP INCOME STATEMENT

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Amounts in NOK million	2006	2005	2005	2006	2005
<b>Operating revenues</b>	<b>38,103</b>	34,661	47,307	<b>12,651</b>	11,325
Operating expenses	<b>(33,335)</b>	(30,012)	(40,925)	<b>(10,984)</b>	(9,798)
Depreciations and write-downs of tangible	<b>(1,336)</b>	(1,413)	(1,888)	<b>(447)</b>	(463)
Amortisation intangible assets	<b>(159)</b>	(128)	(223)	<b>(53)</b>	(42)
Other revenues and expenses	<b>0</b>	(115)	(214)	<b>0</b>	0
<b>Operating profit</b>	<b>3,273</b>	2,993	4,057	<b>1,167</b>	1,022
Profit from associates	<b>171</b>	169	152	<b>149</b>	78
Dividends	<b>717</b>	781	1,018	<b>119</b>	109
Gains and losses/write-downs portfolio	<b>1,555</b>	1,764	2,186	<b>199</b>	672
Financial items, net	<b>(156)</b>	(294)	(464)	<b>(173)</b>	(74)
<b>Profit before taxes</b>	<b>5,560</b>	5,413	6,949	<b>1,461</b>	1,807
Taxes	<b>(1,001)</b>	(1,065)	(1,089)	<b>(222)</b>	(276)
<b>Profit after taxes</b>	<b>4,559</b>	4,348	5,860	<b>1,239</b>	1,531
Discontinued operations	<b>4,144</b>	41	154	<b>4,002</b>	1
<b>Profit for the year</b>	<b>8,703</b>	4,389	6,014	<b>5,241</b>	1,532
Minority	<b>35</b>	213	216	<b>9</b>	23
Profit before tax, Industry division	<b>3,130</b>	2,659	3,465	<b>1,127</b>	957
Profit before tax, Financial Investment	<b>2,430</b>	2,754	3,484	<b>334</b>	850
<b>Earnings per share (NOK)</b>	<b>42.0</b>	20.3	28.1	<b>25.3</b>	7.3
<b>Earnings per share diluted (NOK)</b>	<b>41.9</b>	20.2	28.1	<b>25.3</b>	7.3
<b>Earnings per share diluted (NOK) *</b>	<b>22.3</b>	21.6	30.1	<b>6.1</b>	7.5

\* Excl. amortisation, other revenues and expenses and discontinued operations